

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Proceeding on Motion of the Commission
Regarding an Energy Efficiency Portfolio
Standard

Case 07-M-0548

**Comments of the New York State
Energy Research and Development Authority
SAPA I.D. No. PSC-51-11-00010-P**

The New York State Energy Research and Development Authority (NYSEERDA) submits these comments in response to a Proposed Rulemaking published in the *State Register* on December 21, 2011. In that Proposed Rulemaking, the New York State Public Service Commission (“Commission”) seeks comments on a Petition submitted by the Pace Energy and Climate Center and the Natural Resources Defense Council for Rehearing of the Commission’s October 25, 2011 Order in Case 07-M-0548 regarding the application of the total resource cost (TRC) test at the measure level to assess the cost-effectiveness of the Energy Efficiency Portfolio Standard (EEPS).¹ Specifically, Petitioners request that the Commission convene a Technical Conference of experts to explore improvements to cost-effectiveness evaluation of the EEPS programs and, in advance of the Technical Conference, an Order directing Department of Public Service (DPS) staff to begin applying the existing TRC protocols at the program or portfolio level, rather than at the measure level. In these comments, NYSEERDA supports the request to hold the requested Technical Conference and further requests that this Conference be held as soon as reasonably possible.

In response to the DPS staff White Paper on EEPS reauthorization issued last summer, NYSEERDA and many other parties commented on the application of the TRC. NYSEERDA’s comments can be found at <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={8B1DFB4C-8C19-42B0-94D6-23618779F191}> (see pages 6-7). In those comments, NYSEERDA recognized the important public policy of assuring that EEPS programs are cost-effective, and supported elimination of measure level TRC screening in favor of the application of the TRC at the program and portfolio levels. The comments noted that application of the TRC at the measure

¹ Case 07-M-0548, *Order Authorizing Efficiency Programs, Revising Incentive Mechanism, and Establishing a Surcharge Schedule*, October 25, 2011.

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level has increased administrative and technical review costs; created uncertainty for the customer; dampened participation; and discouraged new or under-used energy-saving technologies that currently have higher costs, but may be expected to become cost-effective in the future. NYSERDA remains concerned that the requirement for measure level TRC screening is impairing the ability of program administrators and contractors to maximize their ability to achieve energy savings. To address these and other important concerns raised by the parties concerning the application of the TRC, NYSERDA supports the convening of a Technical Conference. To obtain the best value from this conference, NYSERDA suggests that:

- the conference be facilitated by an Administrative Law Judge, who should provide an opportunity for written and oral comments and summarize the record established;
- the program include a panel of national experts on cost-effectiveness testing of energy efficiency programs;
- the conference provide a forum for input from program administrators; trade allies responsible for conducting TRC screening during implementation; environmental and energy advocates; end- users; and other members of the public.

NYSERDA submits that it is important that the Commission hold this Technical Conference and resolve issues concerning the application of the TRC as soon as reasonably possible so that the EEPS program can achieve the best results possible by 2015.

NYSERDA remains committed to working with DPS Staff, Program Administrators, and stakeholders to review and clarify the application of benefit cost screening to EEPS efforts, and to providing valuable opportunities to New York's consumers to save energy and improve the environment while furthering the State's energy efficiency goals.

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Respectfully submitted,



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